

THE COMMONWEALTH OF MASSACHUSETTS

CITY OF LOWELL

In City Council

LOAN ORDER

(Accelerated Repairs to Shaughnessy Elementary School)

To borrow Eighty-Five Thousand Dollars (\$85,000) for the purpose of paying costs of architectural and engineering services related to reconstructing the roof of the John J. Shaughnessy Elementary School located at 1158 Gorham Street, Lowell, Massachusetts,

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IT IS ORDERED BY THE CITY COUNCIL OF THE CITY OF LOWELL BY A TWO-THIRDS VOTE as follows:

ORDERED: That the City appropriates the amount of Eighty-Five Thousand Dollars (\$85,000) for the purpose of paying costs of architectural and engineering services related to reconstructing the roof of the John J. Shaughnessy Elementary School located at 1158 Gorham Street, Lowell, Massachusetts, including the payment of all costs incidental or related thereto (the "Project"), which proposed accelerated repair project would materially extend the useful life of the school and preserve an asset that otherwise is capable of supporting the required educational program, and for which the City has applied for a grant from the Massachusetts School Building Authority ("MSBA"), said amount to be expended under the direction of School Committee. To meet this appropriation the City Treasurer, with the approval of the City Manager, is authorized to borrow said amount under G.L. c. 44, or pursuant to any other enabling authority. The City acknowledges that the MSBA's grant program is a non-entitlement, discretionary program based on need, as determined by the MSBA, and if the MSBA's Board of Directors votes to invite the City to collaborate with the MSBA on this proposed repair project, any project costs the City incurs in excess of any grant that may be approved by and received from the MSBA shall be the sole responsibility of the City, and that, if invited to collaborate with the MSBA on the proposed repair project, the amount of borrowing authorized pursuant to this vote shall be reduced by any grant amount set forth in the Project Funding Agreement that may be executed between the City and the MSBA. Any premium received upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with G.L. c. 44, §20, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

**ORDER RECOMMENDED AND INTRODUCED BY**



Eileen M. Donoghue  
City Manager



# Massachusetts School Building Authority

**Deborah B. Goldberg**  
*Chairman, State Treasurer*

**James A. MacDonald**  
*Chief Executive Officer*

**John K. McCarthy**  
*Executive Director / Deputy CEO*

December 16, 2020

Ms. Eileen Donoghue, City Manager  
City of Lowell  
375 Merrimack Street  
Second Floor, Room 43  
Lowell, MA 01852

Re: City of Lowell, John J. Shaughnessy Elementary School

Dear Manager Donoghue:

I am pleased to report that on December 16, 2020, the Board of Directors (the “Board”) of the Massachusetts School Building Authority (the “MSBA”) voted to invite the City of Lowell (the “City”) into the Accelerated Repair Program (the “ARP”) to partner with the MSBA in conducting a Schematic Design Study at the John J. Shaughnessy Elementary School for a potential roof replacement project. The boiler replacement project also requested by the City for the John J. Shaughnessy Elementary School is not included in the invitation.

I do want to emphasize that this invitation to partner on a Schematic Design Study is **not** approval of a project but is strictly an invitation to the City to work with the MSBA to explore potential solutions to the building needs that have been identified. Moving forward in the MSBA’s ARP process requires a partnership with the MSBA, and communities that “get ahead” of the MSBA without MSBA approval will not be eligible for grant funding. To qualify for any funding from the MSBA, local communities must follow the MSBA’s statute, regulations, and policies, including the ARP requirements, which require MSBA partnership and approval at each step of the process.

The ARP will focus on the preservation of existing assets by performing energy-efficient and cost-saving upgrades, which will result in direct operational savings for school districts. Districts that are invited into the ARP will be required to use Owner’s Project Managers and Designers who are pre-selected and randomly assigned by the MSBA and must also adhere to other requirements that are unique to this program, such as implementing an accelerated project schedule and complying with the MSBA’s reimbursement dollar thresholds. Districts will be expected to complete a Schematic Design Study and receive authorization for a Project Funding Agreement by the Board of Directors no later than 12 months from Program invitation. Districts seeking reimbursement under the ARP will be allowed to submit requests for reimbursement monthly, but only if the total value of the invoices being submitted equals more than \$50,000.

During the Schematic Design Study phase, the MSBA will partner with the City and its assigned Owner’s Project Manager and Designer to find the most fiscally responsible, educationally appropriate and sustainable solution to the building needs identified at the John J. Shaughnessy

December 16, 2020

Lowell Invitation to Accelerated Repair Program Board Action Letter

Elementary School. If during the Schematic Design Study phase, the City determines that the potential project does not meet the qualifying criteria of the Board's invitation, the City will be required to remove its Statement of Interest and will not be authorized for a Project Funding Agreement for the project. For the 2020 ARP, the qualifying criteria included roofs of 30 years or more (installed in or before 1990), window and door systems of 35 years or more (installed in or before 1985) and boiler systems of 35 years or more (installed in or before 1985).

The City must complete several pre-requisites prior to beginning work with its consultants. Please submit the following information to the MSBA by no later than the date listed below in order to fulfill these pre-requisites:

- an Initial Compliance Certification (attachment to this letter) executed by the City to ensure that the City understands and will comply with the MSBA's requirements and regulations (submit prior to March 16, 2021).

The City must approve funding for the Feasibility Study/Schematic Design portion of this potential project within 60 calendar days of the date of invitation into the ARP (February 15, 2021).

Submission of the properly certified documentation that the City has appropriated its funding should be submitted to the MSBA prior to March 16, 2021. Future funding for the total project budget will be required within 90 days after the date of the MSBA's approval of the project scope and budget.

Once the City has completed the pre-requisites listed above according to the MSBA's standards, the MSBA will assign an Owner's Project Manager and Designer using the MSBA's list of pre-selected and randomly assigned consultants for the ARP. In the meantime, I wanted to share with you the Board's decision and provide a brief overview of what this means for the City of Lowell.

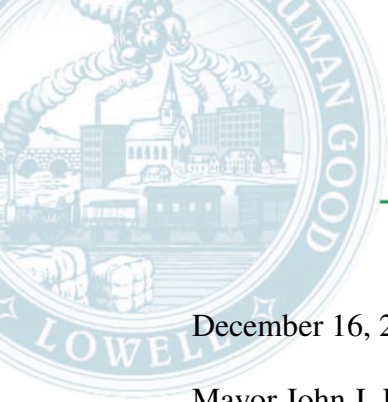
I look forward to continuing to work with you as part of the MSBA's Accelerated Repair Program. As always, feel free to contact me or my staff at (617) 720-4466 should you have any questions.

Sincerely,



John K. McCarthy  
Executive Director

Cc: Legislative Delegation  
The Honorable John Leahy, Mayor, City of Lowell  
Kara Keefe Mullin, Asst. City Manager  
Alex Magee, Deputy Director DPW, City of Lowell  
Andre P. Descoteaux, Vice-Chair, Lowell School Committee  
Dr. Joel Boyd, Superintendent, Lowell Public Schools  
Dr. Jim Hall, Chief Operating Officer, Lowell Public Schools  
File: 10.2 Letters



Eileen M. Donoghue  
City Manager

December 16, 2020

Mayor John J. Leahy  
And  
Members of the Lowell City Council

Dear Mayor Leahy and Members of the Lowell City Council,

I hereby submit for approval a loan order in the amount of \$85,000 to fund the Schematic Design Study stage of a new Accelerated Repair Program (“ARP”) project at the John J. Shaughnessy School for a new roof. This phase of the project was approved for funding through the Massachusetts School Building Authority’s (“MSBA”) Accelerated Repair Program on December 16, 2020. According to the approval letter, the city has sixty days to approve funding for the city’s share of the costs for the Schematic Design Study stage.

This vote represents another step forward in an aggressive capital campaign by the city to make much needed repairs to the city’s aging school facilities. The process began over two years ago when - at the direction of the City Council - the Administration embarked on a comprehensive facility study. Armed with data from the EMG study on each school building and a prioritized list of all HVAC systems, roofs, doors, and windows eligible for funding, and after the unanimous approval by both the City Council and the School Committee; the city submitted applications for funding to the MSBA. This year one project - a new roof at the Shaughnessy School - was approved by the MSBA to move forward into the Schematic Design Study stage. The funding will focus on the preservation of existing assets by performing energy-efficient and cost-saving upgrades at the approved sites, resulting in direct operational savings for the city and the school district.

The debt service for this loan order has been calculated into the projections used in formulating the city’s comprehensive five-year capital improvement plan (“CIP”). An additional loan order will be needed to fund the construction phase of the program but it, like this loan order, will be eligible for reimbursement from the MSBA of up to 79.85% of eligible costs. A great deal of thanks is owed to the State, including the State Treasurer’s Office and the MSBA, for the opportunity to participate in such a program. Without it, gateway cities like Lowell would be wholly unable to keep pace with the repair costs of ageing infrastructure.

Please let me know if there are any questions.

Sincerely,

Eileen M. Donoghue  
City Manager

Cc: Conor Baldwin, Chief Financial Officer